

Continuum of Care Reform (CCR)*

DESCRIPTION:

This premise provides funds to implement reform of the state's current rate-setting system, services and programs for children and families in the continuum of AFDC-FC placements. Improvements to the continuum of care have been a consistent theme in child welfare in California for the past 15 years. The continuum of placement settings and the array of available services and supports for children and youth in FC is an interconnected system.

The CCR effort began through SB 1013 (Chapter 35, Statutes of 2012) and resulted in the publication of the CDSS' 2015 report titled California's Child Welfare Continuum of Care Reform. The report outlined a comprehensive approach to improve the experience and outcomes of children and youth in FC. AB 403 (Chapter 773, Statutes of 2015) codified the recommendations, which seek to assist youth in FC to have their day-to-day physical, mental and emotional needs met, have the opportunity to grow up in a permanent and supportive home and have the opportunity to grow into self-sufficient, successful adults.

AB 403 supports these efforts by giving families who provide FC, now known as resource families, with targeted training and support so that they are better prepared to care for youth living with them. The reform also advances California's long standing goal to decrease the state's reliance on long-term group home care by increasing youth placements in family settings. Additionally the reform effort transforms existing congregate care into places where youth, who cannot immediately transition to family-based placements, can receive short-term intensive treatment to allow them to transition to family-based placements more quickly.

IMPLEMENTATION DATE:

The foster family agency social worker rate increase and the foster parent recruitment, retention and support activities for resource families and foster parents implemented on July 1, 2015. The Home-Based Family Care rate will implement on January 1, 2017. Other administrative activities to support CCR will implement on July 1, 2016, or January 1, 2017, as specified below.

KEY DATA/ASSUMPTIONS:

- Authorizing statute: AB 403; W&IC sections 4096.5, 4096.6, 11400, 11402, 11462, 11462.01, 11462.04, 11462.015, 11462.02, 11463, 16000, 16519.5, 16519.52 through 16519.56 and 18987.72; Health and Safety Code sections 1502, 1506.1, 1507.25, 1522.42, 1522.43, 1529.2, 1530.8, 1562 and 6276.38.

Home-Based Family Care Rate

- This component implements January 1, 2017.
- The current rate structure for out-of-home placements will be replaced by the Home-Based Family Care rate structure, which is based on a four-tier level-of-care structure.
- Consistent with rates that will be set forth through upcoming written directives, foster family agencies, resource families and foster family homes (including relatives) will receive the Home-Based Family Care rate.

*Please refer to the first tab titled "Acronyms" for a full description of acronyms.

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KEY DATA/ASSUMPTIONS (CONTINUED):

Home-Based Family Care Rate (continued):

- Only prospective AAP, Kin-GAP and Fed-GAP cases will receive the Home-Based Family Care rate.
- The FC youth in group home care will transition to alternative placements including foster family agencies, foster family homes, resource families, relative placements, Treatment FC placements or short-term residential therapeutic programs.
- The FC youth in the CWS system will transition out of group homes over 24 months and FC youth in the probation system will transition out of group homes over 36 months.
- The majority of group home cases in Rate Classification Levels 1-9 will transition into family-based settings. The remaining cases in group home Rate Classification Levels 1-9 will transition into a Treatment FC placement.
- A proportion of group home cases in Rate Classification Levels 10-12 will transition to a Treatment FC placement.
- The remaining cases in group home Rate Classification Levels 10-12 and all cases in a group home Rate Classification Level 14 will transition into short-term residential therapeutic program placements.
- In FY 2016-17, 284 group home placements moving to a home-based Treatment FC placement will receive the Treatment FC basic rate and an agency rate; 393 group home placements moving to a short-term residential therapeutic program will receive the short-term residential therapeutic program rate; and 55 group home placements moving to a family-based setting will receive the Home-Based Family Care rate.
- There will be a time-limited investment for a separate rate for foster family agencies to provide services and support to youth in placements with relatives.
- The half-year cost to implement the Home-Based Family Care rate is \$35.7 million total funds in FY 2016-17.

Foster Family Agency – Social Worker Rate Increase

- This component implemented on July 1, 2015.
- The social worker component of the foster family agency rate received an increase of 15 percent.
- The cost of the social worker increase is \$7.3 million total funds in FY 2015-16 and \$3.8 million total funds in FY 2016-17.
- After implementation of the Home-Based Family Care rate, the social worker rate cost increase will no longer be distinguished.

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KEY DATA/ASSUMPTIONS (CONTINUED):

Accreditation

- This component implements July 1, 2016.
- All short-term residential therapeutic programs and foster family agencies will attain accreditation from a national accreditation body selected by CDSS.
- Fifty percent of the accreditation costs will be funded with GF. The costs will be split across two FYs.
- The cost of accreditation is \$2.8 million total funds in FY 2016-17.

Outcomes, Accountability and Automation

- This component implements in FY 2016-17.
- Funding for outcomes and accountability is \$2.5 million total funds in FY 2016-17 and will be used to inform AB 403 reporting requirements related to provider performance measures, out-of-home client satisfaction and the resource family approval process.
- A one-time automation system change request to the CWS/CMS is required and will cost \$0.5 million total funds in FY 2016-17.

Child and Family Teams

- This component implements January 1, 2017.
- Placing agencies will utilize child and family teams for all out-of-home placements participatory case planning purposes and in an effort to continuously assess foster youth need.
- Approximately 50,000 foster family homes, foster family agencies, group homes and ARC placements will have a child and family team.
- The needs of the child will determine the duration and frequency of child and family team meetings. Urgent-need cases will require on average six, ten-hour sessions per year. High-need cases will require on average three, eight-hour sessions per year. The most stable cases will require on average two, five-hour sessions per year. All other cases will require on average two, six-hour sessions per year.
- Funding for child and family teams is \$27.4 million total funds in FY 2016-17, including an offset of \$2.5 million total funds in FY 2016-17 for participatory case planning activities included in 2011 Realignment.

Second Level Administration Review

- This component implements January 1, 2017.
- All cases placed in a short-term residential therapeutic program will require a placement review at intervals no greater than six months and require county deputy director approval for placements exceeding six months.

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KEY DATA/ASSUMPTIONS (CONTINUED):

Second Level Administration Review (continued):

- In FY 2016-17, approximately 400 cases in a short-term residential therapeutic program will require a placement review.
- The additional placement review will take one hour of caseworker time.
- Funding for second level administration review is \$29,000 total funds in FY 2016-17.

Case Planning Assessment

- This component implements in FY 2016-17.
- Placing agencies will utilize IT tools with common domains and unlimited users and clients.
- Funding for the case planning assessment tool is \$3.5 million total funds in FY 2016-17.

Foster Parent Recruitment, Retention and Support

- This component implemented July 1, 2015.
- This funding will increase capacity to transition youth from congregate care to home-based family settings.
- In FY 2015-16, funding for foster parent recruitment, retention and support is \$21.8 million total funds and \$54.7 million total funds in FY 2016-17.

Resource Family Approval

- Fourteen counties will implement on July 1, 2016: Butte, Kings, Madera, Monterey, Orange, San Joaquin, San Francisco, San Luis Obispo, Santa Barbara, Santa Clara, Siskiyou, Stanislaus, Ventura and Yolo Counties.
- Los Angeles County will begin implementation by October 1, 2016.
- The remaining 43 counties will implement on January 1, 2017.
- Resource family approvals will be completed by caseworkers and will replace existing processes.
- A county social worker will spend 26 hours to convert an already existing licensed or approved relative home to an approved resource family.
- A county social worker will spend 30 hours to approve a new resource family.
- Families denied to become resource families may request a state-level hearing, resulting in eight hours of social worker time to participate in a due process review conducted by the state.
- Resource families moving counties or resource families that receive an additional placement will trigger an annual update, resulting in an average of 6.75 hours of social worker time per update based on experience in pilot resource family approval counties.
- Counties will be responsible for completing complaint investigations on resource families, resulting in 16 hours of social worker time per complaint.

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KEY DATA/ASSUMPTIONS (CONTINUED):

Resource Family Approval (continued):

- Funding for the resource family approval is \$12.0 million total funds in FY 2016-17, including an offset of \$9.2 million total funds in FY 2016-17 for subsumed activities including initial relative home approvals, annual approvals, adoption home approvals and background checks for adoption home approvals. Subsumed activities will no longer be completed and were included in the 2011 Realignment base funding.
- Only a portion of the realigned funding is expected to be reinvested in FY 2016-17 for subsumed activities that will have a phased-in caseload reduction.

Training

- County mental health staff will require training on CCR implementation.
- County social workers and probation officers will require training on case planning assessment tools and CCR implementation.
- In FY 2016-17, a total of \$4.6 million total funds will be required for training.
- The DHCS will provide the \$1.5 million non-federal match required to draw down the federal Title IV-E training funds for county mental health staff training.

Percent of Eligible Costs

- The percent of federally eligible costs is 68 percent in FY 2015-16 and FY 2016-17 for the 49-county estimate. The nine Title IV-E California Well-Being Project counties do not receive FFP as the federal funds for the Project are capped.
- For contract costs, the percent of federally eligible costs is 65 percent in FY 2015-16 and 66 percent in FY 2016-17 for the 58-county estimate.

METHODOLOGY:

- The costs for the Home-Based Family Care rate are calculated by multiplying the cases that receive the revised rate by the incremental increase between the Home-Based Family Care rate and the current rate.
- The costs for the foster family agency social worker rate increase are calculated by multiplying the increase in the social worker rate by the foster family agency caseload.
- The CCR administrative costs are calculated by summing the remaining components.

FUNDING:

The social worker rate increase for the foster family agency rate is funded with GF. Federal funding for administrative costs is provided by Title IV-E of the Social Security Act, with the amount of FFP based on the FMAP of 50 percent for assistance or based on the 50 percent administration rate and 75 percent enhanced training rate for those cases and programs meeting eligibility criteria.

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FUNDING (CONTINUED):

The responsibility for child welfare and protective services was realigned to the counties in 2011 as part of 2011 Public Safety Realignment. Pursuant to Proposition 30, legislation enacted after September 30, 2012, that has an overall effect of increasing the costs already borne by a local agency for programs or levels of service mandated by 2011 Realignment shall apply to local agencies only to the extent that the state provides annual funding for the cost increase.

While AB 403 imposes various new requirements and a higher level of service on local agencies that have an overall effect of increasing costs in the short-term, AB 403 will eventually reduce overall costs of FC, which will allow counties to reinvest these savings in CWS. Over the long-term, local agencies should realize significant cost reductions in FC assistance expenditures as group home placements will gradually transition over to alternative family-based settings. These costs reductions will be reinvested to provide additional services to families and to offset CCR administrative costs.

CHANGE FROM GOVERNOR'S BUDGET:

There is no net change in FY 2015-16 for CCR FC. The federal funding decrease and corresponding GF increase to CCR FC is due to Title XX funding shift to GF costs.

The FY 2015-16 decrease in federal funding for CCR administration is due to capped federal funding authority for Title IV-E Well-Being Project counties.

The CCR related changes for Kin-GAP, FC, ARC and AAP implement in FY 2016-17.

The FY 2016-17 increase for CCR FC and CCR administration reflects implementation of the Home-Based Family Care rate structure and growth in the administrative funding necessary to implement CCR.

REASON FOR YEAR-TO-YEAR CHANGE:

The FY 2016-17 increase reflects the growth in the administrative funding necessary to implement CCR and the implementation of the Home-Based Family Care rate structure.

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EXPENDITURES:

(in 000s)

FY 2015-16

Item 101 – Kin-GAP Program	Total	Federal	State	County	Reimb.
CCR – Kin-GAP	\$0	\$0	\$0	\$0	\$0
Item 101 – FC Grants					
CCR – FC	5,259	0	5,259	0	0
CCR – ARC	0	0	0	0	0
Item 101 – AAP					
CCR – AAP	0	0	0	0	0
Item 151 – CWS Administration					
CCR – Administration	13,483	4,634	8,849	0	0
Item 153 – Title IV-E Project					
CCR – FC	1,999	0	1,999	0	0
CCR – Administration	8,344	0	8,344	0	0
Total	\$29,085	\$4,634	\$24,451	\$0	\$0

FY 2016-17

Item 101 – Kin-GAP Program	Total	Federal	State	County	Reimb.
CCR – Kin-GAP	\$161	\$0	\$127	\$34	\$0
Item 101 – FC Grants					
CCR – FC	16,559	2,226	14,333	0	0
CCR – ARC	8,027	0	8,027	0	0
Item 101 – AAP					
CCR – AAP	1,297	538	759	0	0
Item 151 – CWS Administration					
CCR – Administration	76,186	27,552	48,634	0	0
Item 153 – Title IV-E Project					
CCR – FC	13,479	0	13,479	0	0
CCR – Administration	31,967	0	31,967	0	0
Total	\$147,676	\$30,316	\$117,326	\$34	\$0

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Continuum of Care Reform (CCR) Summary^{*}

The CCR has costs listed in several sections in the budget tables. This chart provides a consolidated view of all of the costs included in the budget tables for FY 2015-16 and FY 2016-17 for the CCR.

(in 000's)

Item	2016 May Revision					
	FY 2015-16			FY 2016-17		
	Total	Federal	GF	Total	Federal	GF
Home-Based Family Care Rate	-	-		\$35,703	\$2,764	\$32,939
Foster Family Agency – Social Worker Rate Increase	\$7,258	-	\$7,258	\$3,786	-	\$3,786
Accreditation	-	-	-	\$2,827	\$1,414	\$1,413
Outcomes, Accountability and Automation	-	-	-	\$3,000	\$1,070	\$1,930
Child and Family Teams	-	-	-	\$27,441	\$5,423	\$22,018
Second Level Administration Review	-	-	-	\$29	\$6	\$23
Case Planning Assessment	-	-	-	\$3,500	\$1,148	\$2,352
Foster Parent Recruitment, Retention and Support	\$21,827	\$4,634	\$17,193	\$54,729	\$11,469	\$43,260
Resource Family Approval	-	-	-	\$12,042	\$4,012	\$8,030
Training	-	-	-	\$4,585	\$3,010	\$1,575
CDSS Local Assistance Total	\$29,085	\$4,634	\$24,451	\$147,642	\$30,316	\$117,326
CDSS State Operations	\$5,500	\$2,500	\$3,000	\$5,500	\$2,500	\$3,000
Short Term Residential Treatment Program, Certification-State Operations	-	-	-	\$350	\$175	\$175
Child and Family Teams	-	-	-	\$10,247	\$5,124	\$5,123
Mental Health Assessments	-	-	-	\$277	\$138	\$139
Mental Health Training	-	-	-	\$1,515	-	\$1,515
DHCS Total	-	-	-	\$12,389	\$5,437	\$6,952
CCR Total	\$34,585	\$7,134	\$27,451	\$165,531	\$38,253	\$127,278

Note:

Federal Title IV-E funds are not included for the CDSS Title IV-E California Well-Being Project Counties, as federal funds for the Project are capped.

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Continuum of Care Reform (CCR) Summary^{*}

Home-Based Family Care Rate Structure

Based on Level of Care (LOC)

A	Pay to Resource Family for Basic Rate	LOC-1	LOC-2	LOC-3	LOC-4
	Basic Rate	\$889	\$989	\$1,089	\$1,189
B	Pay to Foster Family Agency (FFA)	LOC-1	LOC-2	LOC-3	LOC-4
	Social Worker	\$340	\$340	\$340	\$340
	Social Services & Support	\$0	\$200	\$244	\$323
	Resource Family Approval	\$48	\$48	\$48	\$48
	Administration	\$672	\$672	\$672	\$672
	Total	\$1,060	\$1,260	\$1,304	\$1,383
C	Pay to Resource Family for Treatment Foster Care (TFC)				
	TFC Rate	\$2,259			
	Pay to FFA including TFC Admin				
	TFC Administration	\$3,482			
	TFC Social Services & Support	\$200			
	Total	\$5,941			
D	Pay to Short-Term Residential Therapeutic Program (STRTP)				
	STRTP Rate	\$11,770			

E Pay to FFA For Services Only				
Social Worker	LOC-1	LOC-2	LOC-3	LOC-4
	\$0	\$340	\$340	\$340
Social Services & Support	\$0	\$200	\$244	\$323
Administration	\$0	\$200	\$200	\$200
Total	\$0	\$740	\$784	\$863

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